

Dear Friends:

Every 60 seconds, an unsuspecting American becomes the victim of identity theft. Identity theft occurs when one person uses another's Social Security number, birth date, driver's license number, or other identifying information to obtain credit cards, car loans, phone plans or other services in the victim's name. The thief literally assumes the victim's identity.

Identity thieves can access personal information in a myriad of ways - stealing wallets and purses containing identification cards, using personal information found on the Internet, stealing mail (including pre-approved credit offers and credit statements), fraudulently obtaining credit reports or obtaining personnel records at work.

Identity thieves have also been known to use the information to track down and stalk their victims, or even worse, sexually assault and kill them. This criminal practice is growing larger everyday and demands action by Congress.

I believe we must take steps to protect citizens from the dangers of identity theft. The first is to give individuals more control over their most sensitive personal information such as Social Security numbers, health information, and financial information. Moreover, businesses that handle our personal information every day, like credit card companies, hospitals, or banks, need to take appropriate precautions to protect that information from identity thieves.

I look forward to your input in this process.

Sincerely,

A handwritten signature in black ink, appearing to read "Dianne Feinstein". The signature is fluid and cursive, with a large, stylized initial "D".

Dianne Feinstein
U. S. Senator

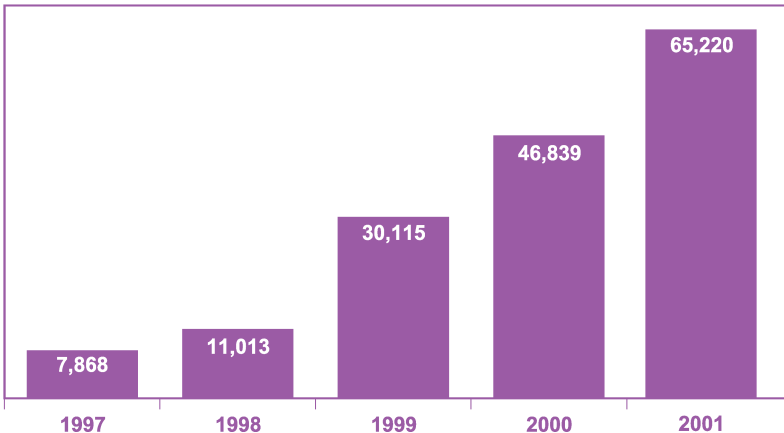
Identity Theft is Growing

Identity theft is one of the fastest growing crimes in the new economy, where cutting edge technology has increased public access to what has traditionally been thought of as personal information.

The Privacy Rights Clearinghouse estimates there will be between 500,000 to 700,000 victims of identity theft this year. That's another victim every 60 seconds.

In 2001, the Social Security Administration reported it had received 65,220 complaints regarding misuse of Social Security numbers, most of which had to do with identity theft. This figure is almost eight times greater than just five years ago, when the number totaled 7,868 in 1997.

Misuse of Social Security Numbers



Complaints of Social Security Number Misuse
as reported to the Social Security Administration

Examples of Identity Theft:

- Mari Frank was victimized in 1996 by a woman who ordered her credit report online. The woman proceeded to purchase a new Ford Mustang and accrue as much as \$50,000 in expenses in Ms. Frank's name.
- A 20-year old dental assistant from Maine was killed in 1999 by a stalker who bought her Social Security number off the Internet, and then used it to locate her work address.
- A young woman from Los Angeles, had her Social Security number stolen and it was used to charge \$50,000, including a \$32,000 truck, a \$5,000 liposuction operation, and a year-long residential lease.
- While assuming the victim's name, the perpetrator also became the object of an arrest warrant for drug smuggling in Texas.
- A resident of Castro Valley, California, discovered that an identity thief obtained a credit card in her name through the Internet in just 10 seconds. The false application only had her Social Security number and birth date correct.



Mari Frank speaks about her experience as an identity theft victim at a recent

Combating Identity Theft and Protecting Individual's Personal Information

In the effort to protect American's personal information, Senator Feinstein seeks to create an appropriate balance between protecting personal information from identity thieves and others who would misuse it, while allowing legitimate business and government practices to go forward.

To achieve this goal, Senator Feinstein has introduced a package of legislation designed to:

- Combat the growing crime of identity theft;
- Give identity theft victims the ability to restore their good names;
- Prohibit the sale and display of social security numbers to the public; and
- Set a national standard for how individuals' personal information is protected.

In total, Senator Feinstein has developed five separate pieces of legislation to protect American's personal information including:

The Social Security Number Protection Act – Makes it harder for identity thieves to obtain Social Security numbers by restricting public access to the number.

Prohibits the sale or display of Social Security numbers to the general public, removes Social Security numbers from government checks and driver's licenses, and requires Social Security numbers to be taken off government documents obtained on the internet. At the same time, the bill would permit legitimate business and government use of the number.

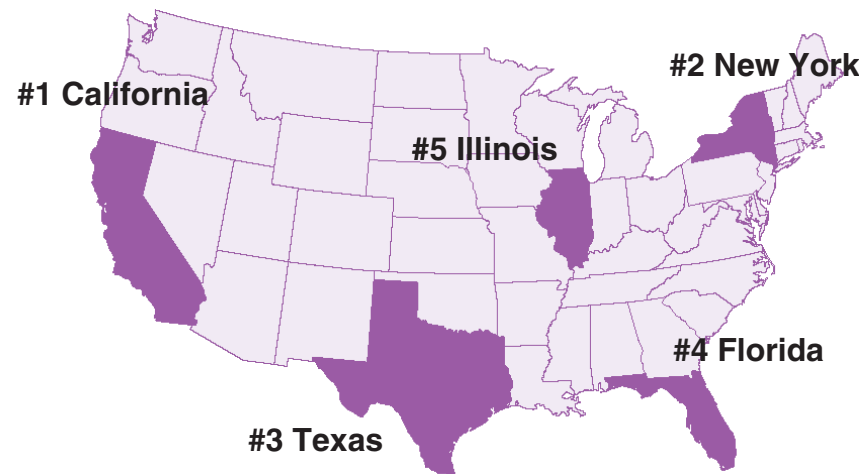
The Identity Theft Prevention Act – Makes it harder for identity thieves to get access to your credit card numbers or take over your credit card account. Penalizes credit card companies that ignore a victim's report of fraud and continue to issue credit to the thief. Requires the truncation of any credit card number printed on a store receipt.

The Identity Theft Penalty Enhancement Act – Strengthens the criminal penalties for those who use identity theft as a means to perpetrate other serious crimes, including terrorism, fire arms offenses and immigration violations. Makes it easier for prosecutors to prove identity theft.

The Privacy Act – Sets a national standard for protection of personal information, including Social Security numbers, driver's licenses and health and financial data, including information collected both on-line and off-line.

The Notification of Risk to Personal Data Act – require businesses or government agencies to notify individuals if s database has been broken into and personal data

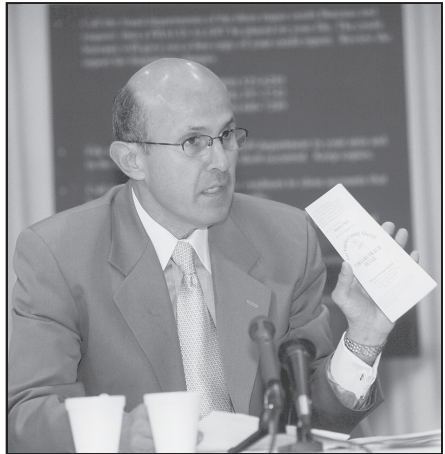
has been compromised, including Social Security numbers, driver's licenses and credit cards.



There are more cases of identity theft in California than in any other state.

Ways to Protect Yourself

- Do not provide personal information over the phone, through the mail, or over the Internet
- Do not carry your Social Security Card
- Keep your mail private
- Balance your checkbook every month



Los Angeles County Sheriff Lee Baca discusses need for identity theft legislation and ways that Americans can protect themselves.

- Review your credit card and bank statements every month
- Check your credit reports yearly
- Shred and tear up documents with personal information
- Keep a list of all your credit cards and bank accounts
- Never sign blank checks or receipts
- Keep copies of all financial statements, checks, and receipts.

If You Are a Victim

- File a police report
- Contact your creditors
- Stop payment on all checks
- Request new ATM cards
- Change you PIN numbers and passwords
- Contact the three credit reporting agencies
- Contact the Federal Trade Commission (FTC):
1-877-ID-THEFT
- Keep copies of all letters and records of all telephone calls

IDENTITY THEFT STATISTICS

IN 2001 - HOW VICTIMS' INFORMATION WAS USED BY IDENTITY THIEVES*

• Credit Card Fraud	42%
• Utilities Fraud	20%
• Bank Fraud	13%
• Employment-Related Fraud	9%
• Loan Fraud	7%
• Government Docs/Benefits Fraud	6%
• Other Identity Theft Fraud	19%

*Approximately 20% of all victims experienced more than one type of identity theft

How victims' information was used by identity thieves in 2001*

For More Information:

If you are interested in receiving further information about this important issue, please log on to Senator Feinstein's website (<http://feinstein.senate.gov>) and register to receive e-mail updates, or contact:

Federal Trade Commission – Identity Theft Website

Website: "ID Theft: When Bad Things Happen to Your Good Name"
www.consumer.gov/idtheft/

Social Security Administration

Identity Theft Information
<http://www.ssa.gov/pubs/idtheft.htm>

Privacy Rights Clearinghouse

Beth Givens, Director
1717 Kettner Ave. Suite 105
San Diego, CA 92101
Phone: (619) 298-3396
Fax: (619) 298-5681
www.privacyrights.org/

Identity Theft Resource Center

Linda Foley Director
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The Harvard Information Infrastructure Project

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79 John F. Kennedy Street
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